



CANNON BUILDING
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STATE OF DELAWARE
DEPARTMENT OF STATE

DIVISION OF PROFESSIONAL REGULATION

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PUBLIC MEETING MINUTES:	BOARD OF ACCOUNTANCY
MEETING DATE AND TIME:	Wednesday, May 20, 2009 at 9:00 a.m.
PLACE:	861 Silver Lake Boulevard, Dover, Delaware Conference Room B , second floor of the Cannon Building
MINUTES APPROVED:	January 20, 2010

MEMBERS PRESENT

Sharron Cirillo, Professional Member, President
David Doane, Professional Member, Secretary
Michael Wollaston, Professional Member
Robert Mosch, Professional Member
James Cohee, Professional Member
Judith Scarborough, Professional Member
Carmetah Murray, Public Member

DIVISION STAFF/DEPUTY ATTORNEY GENERAL

Eileen Kelly, Deputy Attorney General
Judy Letterman, Administrative Specialist III
Kay Warren, Deputy Director

MEMBER ABSENT

Matthew Kent, Public Member
William Fletcher, Public Member

ALSO PRESENT

Dana Rubenstein, Delaware Society of CPA's
Ralph Estep
Ken Bishop, NASBA
Craig Mills, AICPA
Joe Cote, NASBA

CALL TO ORDER

Ms. Cirillo called the meeting to order at 9:15 a.m.

REVIEW OF MINUTES

A motion was made by Mr. Mosch, seconded by Mr. Cohee to approve the minutes as amended. The motion was unanimously carried.

UNFINISHED BUSINESS

Disciplinary Hearing Deliberations

Ralph Estep

Ms. Kelly, Deputy Attorney General representing the Board of Accountancy stated the purpose for the deliberations was based on Complaint 04-08-07 concerning Ralph Estep

Board members were introduced.

A motion was made by Mr. Doane seconded by Mr. Cohee to go off the record. The motion was unanimously carried.

The hearing participants, Ms. Cirillo, Mr. Doane, Mr. Cohee, Mr. Mosch and Mr. Wollaston, went into deliberations.

A motion was made by Mr. Cohee seconded by Mr. Mosch to go back on the record.

A motion was made by Ms. Cirillo, seconded by Mr. Walliston to issue Mr. Estep a fine of \$2,000, suspended his license for 12 months, to be followed by not less than 24 months of probation, with said probation to be subject to the following conditions:

- a. Mr. Estep shall not render legal services or legal advice to clients, in particular, pertaining to estate law, and shall not draft wills, trusts, powers of attorney (other than those related to the Internal Revenue Service), healthcare directives or deeds. To clarify, Mr. Estep may render estate planning services but shall not draft the related legal documents or filings;
- b. Mr. Estep shall not violate any of the provisions of Chapter 1 of Title 24, any Board of Accountancy Rule or Regulation, or any of the Rules of Conduct of the Code of Professional Ethics of the American Institute of Certified Public Accountants;
- c. Mr. Estep shall have no business dealings with his clients, other than the delivery of services in the normal course of acting as a public accountant;
- d. Mr. Estep shall not act in a representative capacity in the Register of Wills;
- e. Mr. Estep shall only use letterhead that accurately reflects the current credentials of the listed individuals, with the credentials in full appearing next to each individual's name, rather than by reference or key;
- f. Mr. Estep shall engage in no acts discreditable to the profession of accountancy;
- g. Mr. Estep shall submit quarterly reports to the Board, beginning three months after the date of mailing of this Decision and Order, specifically attesting that

he has complied with the above terms and providing a copy of his current letterhead; and

Any violation by Mr. Estep of the terms of his probation may result in further disciplinary proceedings with further sanctions, up to and including revocation of his license.

The motion was unanimously carried.

Signing of Decisions and Order

The Board signed the Decision and Order for Charles Swanson

Review of Applications

A motion was made by Mr. Doane, seconded by Mr. Cohee to approve the applications of Deborah Oland, and Jin Yong Yang. The motion was unanimously carried

Final Denial of Application-Tabled

Strategic Plan-Tabled

Accounting License Database
Accounting Licensee Library
Allied Professional Revocation
Enforcement
Continuing Education
CPE Log
Rules and Regulations
Unlicensed Practice

NEW BUSINESS

Ratification of CPA Certificate Applications

A motion was made by Ms. Cirillo, seconded by Doane to ratify the applications of Nobuaki Sugita, Masashi Mukaiyama, Shahid Khan, Kyoko Inagaki, Hando Lee, Miho Hasimoto, Tamer El-Shaxly, Victorine Wright, Kirti Sha, Delia Rodillas, Abhisekh Adukia, Luramon Jean Pierre, Hansup Kim, Matthew Tibbetts, Shiho Tanuka, Suzuka Inqoue, Hirohisa Ishikawa, Gregory Profeta, Robert Bullen, Mark Woodward, Grgg jurkiewicz, Michael Mooney, Naofumi Tsuruno, Chie Sumita, Takeshi Kusaka, Michael Fairbourne, Kyungik Lee, Joseph Robinson. The motion was unanimously carried.

Review of CPA Permit Applications

A motion was made by Ms. Cirillo and seconded by Mr. Walliston to approve the permit applications of Li Zhang, Lynsey Eppeneder, Scott Gesty, Kohji Machino, Yasutaka Zushi, Kenichi Takarabe, Min Kyu Shim, Arthur Ayres, Jr. Mika Tsuchihashi, and John Wazowics. The motion was unanimously carried.

Review of CPA Certificate and Permit to Practice Applications-Tabled

Review of Firm Permit Applications-Tabled

Complaint Status

04-02-08 – Assigned
04-03-08 – Forwarded to Office of Attorney General
04-05-08 - Assigned
04-07-08 - Forwarded to Office of Attorney General
04-08-08 - Forwarded to Office of Attorney General
04-09-08 - Forwarded to Office of Attorney General
04-12-08 - Forwarded to Office of Attorney General
04-13-08 – Forwarded to Office of Attorney General
04-14-08 - Assigned
04-15-08 – Forwarded to Office of Attorney General
04-16-08 - Assigned

Elections-Tabled

Correspondence

Request to Re-Test

The Board received a request from NASBA on behalf of exam candidate Arun Prakash Sundaresan who stated that due to an error message on the computer the applicant lost 11 minutes of exam time. The candidate has requested a partial credit and a free test for the Auditing section. After investigating, NASBA determined that the candidate voluntarily elected to quite the exam prior to the expiration of the exam, losing only 7 minutes and denied the request.

A motion was made by Ms. Cirillo, seconded by Mr. Cohee to deny exam candidate's request. The motion was unanimously carried.

Request for CPE Waiver

The Board received a CPE waiver request or extension from Ram Swamy which stated that the request is due to relocation.

A motion was made by Ms Cirillo, seconded by Mr. Cohee that the waiver was not approved however the Board would extend the CPE due date to September 30, 2009; inform him to attest correctly at the time of renewal and to submit proof of completion of CPE in order to release the license. The motion was unanimously carried.

Request to Extend NTS

NASBA informed the Board that there was a problem at the exam site for the February 26, 2009 exam and candidate Yoshinori Tasaki was requesting an extension to complete the FARE examination.

A motion was made by Ms. Scarborough, seconded by Mr. Cohee to approve an extension until September 30, 2009. The motion was unanimously carried.

Review of Delaware Ethics CPE-SmartPros

The review of the CPE documentation from SmartPros has been assigned to Mr. Doane.

Review of Delaware Ethics CPE-PES

The review of the CPE documentation from PES has been assigned to Mr. Cohee.

Review of Delaware Ethics CPE-MSA

The review of the CPE documentation from MSA has been assigned to Ms. Cirillo.

Final Denial Draft Firm Name White Paper for PEEC-Tabled

Request for CPE Waiver

The Board received a cpe waiver request from Takyuki Morozumi which stated that the request was due to relocation.

A motion was made by Ms Cirillo, seconded by Mr. Doane to inform the licensee that the waiver was not approved however; the Board would extend the due date to September 30, 2009, to attest correctly at the time of renewal and to submit proof of completion of CPE in order to release the license. The motion was unanimously carried.

Request for CPE Waiver

The Board received a CPE waiver request from Hyung Tae Kim which stated that the request was due to residing in South Korea.

A motion was made by Ms Cirillo, seconded by Mr. Wollaston to deny the request for a waiver since they are only required to submit half of the CPE, 40 hours, since the license was issued in April 2008. The motion was unanimously carried.

Larry Hooker

Mr. Hooker was a previous PA permit holder in Delaware whose permit expired in 2003. He submitted a CPA permit to practice and asked the Board if he needed a permit to practice in Delaware. The Board review his file which included a letter stating that he has his own tax preparation and accounting business in Delaware since 1997, he had no intentions of doing compilations, review or audit work, his practice is almost all tax preparation and asked if he needed a permit to practice in Delaware. The file included a letter of Good Standing from the State of Ohio which showed that the Ohio license was suspended on March 21, 2006 because his Delaware license expired on June 30, 2003.

A motion was made by Ms. Cirillo, seconded by Mr. Cohee to inform Mr. Hooker that the Board does not give legal advice, to review the statute and rules or contact an attorney, to reapply after he has an active CPA permit to practice in Ohio that is in good standing and to submit a new letter of Good Standing. The motion was unanimously carried.

Sang Hee Chung

The Board reviewed the FACS evaluation for the CPA Certificate application of Sang Hee Chung. The evaluation does not show that the applicant has completed Advanced Accounting, Cost Accounting, Auditing or US Federal Taxation.

A motion was made by Mr. Doane, seconded by Mr. Cohee to propose to deny the application. The motion was unanimously carried.

Richard Sanderson

Mr. Sanderson submitted a CPA Permit to Practice application and answer “yes” to the question that his permit was not current and explained that he has been employed in industry since 2005 when the permit expired. His CPA certificate was issued in 1984 and the application did not include proof of experience.

A motion was made by Ms. Cirillo, seconded by Mr. Doane to request an experience affidavit. The motion was unanimously carried.

NASBA Regional Meeting

Ms. Cirillo informed the Board that the June 17th meeting is the same day as the Regional Meeting and asked the Board to consider moving the meeting to Wednesday June 10th.

International Delivery of the CPA Exam-Presentation

Representatives from NASBA, Ken Bishop, Craig Mills and Joe Cote presented to the Board a PowerPoint presentation of NASBA's proposal for International Administration of the CPA exam. Due to the large number of foreign candidates who have a limited amount of time to travel and take the examination, NASBA is considering providing the CPA examination at two foreign test sites. As part of the requirements to be eligible, applicants must agree to certain conditions such as retaining their license for 3 years, and agrees to jurisdiction of the state and binding arbitration of disputes.

The Board asked questions on the process, size of exam site, security issues and expressed their concerns of the increase workload for the Board and the burden and responsibility to the State concerning any disciplinary sanctions. The Board was informed that NASBA would be able to provide any administrative help the Board would need with the exam process.

Draft of Exam Survey

NASBA had requested information on the examination process and the Board recommended sending a survey to obtain the information however because the Division only receives exam information if the candidate applies for licensure, this information is not be available.

Request for CPE Waiver

The Board received a CPE waiver request from Rafik Hanna which stated that the request was due to health issues.

A motion was made by Ms. Scarborough, seconded by Mr. Doane to submit 24 hours of self-study by the end of January 2009 and submit evidence of completion in order to release the license. The motion was unanimously carried.

OTHER BUSINESS BEFORE THE BOARD (for discussion only)

Mr. Fletcher, Public Member, submitted his resignation from the Board.

Due to loss of quorum, the meeting adjourned and review of the remaining application tabled until the next meeting.

PUBLIC COMMENT

NEXT SCHEDULED MEETING

The next meeting will be held on Wednesday, June 10, 2009 at 9:00 a.m. in Conference Room B, second floor of the Cannon Building, 861 Silver Lake Boulevard, Dover, Delaware.

ADJOURNMENT

Respectfully submitted,

Judy Letterman
Administrative Specialist III